

Resolution No. _____ RESOLUTION: To approve a grant in the amount of \$200,000 and a loan in the amount of \$1,800,000 to Rockville Housing Enterprises for the purchase of Fireside Park Apartments for the preservation of mixed-income, affordable housing in the City of Rockville

WHEREAS, the Mayor and Council of the City of Rockville seek a variety of housing types to meet current and future resident needs, including supporting the provision of affordable housing in Rockville; and

WHEREAS, Rockville Housing Enterprises, a public housing authority, has as its core mission to provide for affordable housing for citizens of the City of Rockville; and

WHEREAS, on August 6, 2012 and September 10, 2012, the Mayor and Council adopted Resolutions 14-12 and 15-12 which approved the exercise of the Right of First Refusal by Montgomery County to acquire the Fireside Park Apartments located at 701-747 Monroe Street, Rockville, Maryland to preserve the 236-unit apartment development as mixed-income, affordable rental housing for the Rockville community; and

WHEREAS, Rockville Housing Enterprises has committed to maintaining 94 units at Fireside Park Apartments at monthly rents that are affordable to households at or below 60 percent of the current Area Median Income for the duration of its ownership of the property; and

WHEREAS, the purchase of Fireside Park Apartments is a partnership between Rockville Housing Enterprises, the City of Rockville, and Montgomery County to achieve the public policy goal of preserving affordable housing; and

Resolution No. _____

WHEREAS, RHE is contributing \$500,000 of equity towards the purchase and Montgomery County has committed a \$2,850,000 loan towards the purchase; and

WHEREAS, Rockville Housing Enterprises has requested that the City of Rockville provide the following financial assistance to enable it to purchase Fireside Park Apartments:

1. A \$200,000 grant.
2. A \$1,800,000 loan.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF ROCKVILLE, MARYLAND, as follows:

1. The City will grant Rockville Housing Enterprises \$200,000 for the purchase of Fireside Park Apartments according to the conditions set forth in a Grant Agreement to be established by and between the City of Rockville and Rockville Housing Enterprises.

2. The City will loan Rockville Housing Enterprises \$1,800,000 for the purchase of Fireside Park Apartments to be repaid according to the terms and conditions set forth in a Loan Agreement to be established by and between the City of Rockville and Rockville Housing Enterprises.

3. Authorize the City Manager to negotiate and execute the agreements and other documents necessary to establish the terms and conditions for the transactions which agreements and documents shall be in a form approved by the City Attorney.

* * * * *

Resolution No. _____

I hereby certify that the foregoing is a true and correct copy
of a resolution adopted by the Mayor and Council at its
meeting of November 5, 2012.

Douglass Barber, City Clerk/Treasurer